

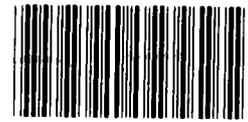
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BY THE COMPTROLLER GENERAL

Report To The Congress

OF THE UNITED STATES

Audit Of The House Minority Printing Clerk Fiscal Year Ended September 30, 1980



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AFMD-81-80
AUGUST 24, 1981

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COMPTROLLER GENERAL OF THE UNITED STATES
WASHINGTON D.C. 20548

B-204149

To the President of the Senate and the
Speaker of the House of Representatives

We audited the accounts of the Minority Printing Clerk, House of Representatives, for the fiscal year ended September 30, 1980, pursuant to section 451 of the Legislative Reorganization Act of 1970 (40 U.S.C. 193m-1). Comparative financial statements for fiscal 1980 and 1979 are presented on pages 4 to 8. Our opinion on these statements is on page 2.

GENERAL COMMENTS

The position of Minority Printing Clerk originated from House Resolution 295 (July 7, 1943, 78th Cong.) which (1) authorized employment of a clerk in charge of printing for the minority caucus room and (2) provided that the clerk be

--designated by the minority leader and

--compensated at the rate of \$2,000 per annum from appropriated funds.

Over the years, the Minority Printing Clerk's pay increased from \$2,000 to \$16,743, the annual pay rate set in accord with the pay adjustment which became effective October 1, 1977. As of October 1, 1978, however, the Minority Printing Clerk's pay from appropriated funds was discontinued.

The Minority Printing Clerk was appointed in March 1953 and operates as Thomas J. Lankford, Incorporated, a firm organized and incorporated on December 16, 1963, primarily to provide printing and related services for Members of the House of Representatives. The Minority Printing Clerk received a salary as President-Treasurer of the corporation during the fiscal year ended September 30, 1980.

The Minority Printing Clerk's offices and printing plant are in the west underground garage of the House of Representatives. During the fiscal year ended September 30, 1980, the Printing Clerk did, for a fee, official printing for the minority leadership and

SCHEDULES

LIABILITIES AND
STOCKHOLDER'S EQUITY

	September 30, <u>1980</u>	September 30, <u>1979</u>
CURRENT LIABILITIES:		
Accounts payable	\$167,945.80	\$143,978.42
Notes payable--current portion	68,183.83	72,525.89
Estimated franchise and income tax liability	93,478.67	12,105.00
Accrued taxes payable	219.06	6,371.94
Unearned income	<u>5,277.41</u>	<u>1,967.75</u>
Total current liabilities	335,104.77	236,949.00
NOTE PAYABLE - Long term portion	<u>-</u>	<u>40,100.29</u>
Total liabilities	<u>335,104.77</u>	<u>277,049.29</u>
STOCKHOLDER'S EQUITY:		
Capital stock--common:		
\$100 par value;		
1,500 shares		
authorized; 375		
shares issued and		
outstanding	37,500.00	37,500.00
Capital in excess of par value	<u>51,464.36</u>	<u>51,464.36</u>
Total capital	<u>88,964.36</u>	<u>88,964.36</u>
Retained earnings:		
Balance at beginning of fiscal year	104,820.64	120,407.21
Prior years' adjust- ments (note 4)	-	(236.81)
	<u>104,820.64</u>	<u>120,170.40</u>
Net profit or (loss) for year	<u>104,024.58</u>	<u>(15,349.76)</u>
Balance at end of fiscal year	<u>208,845.22</u>	<u>104,820.64</u>
Total stockholders' equity	<u>297,809.58</u>	<u>193,785.00</u>
Total liabilities and stockholders' equity	<u>\$632,914.35</u>	<u>\$470,834.29</u>

THOMAS J. LANKFORD, INCORPORATEDCOMPARATIVE STATEMENT OF CHANGES IN FINANCIAL POSITIONFISCAL YEARS ENDED SEPTEMBER 30, 1980 AND 1979 (note 1)

	<u>FY 1980</u>	<u>FY 1979</u>
FUNDS PROVIDED:		
Net sales	\$1,943,834.26	\$1,220,167.52
Rental income	21,066.62	20,903.60
Interest income	563.42	25.92
Miscellaneous income	1,600.56	405.42
Decrease in working capital	-	70,555.71
	<u>\$1,967,064.86</u>	<u>\$1,312,058.17</u>
FUNDS APPLIED:		
Costs (excluding depreciation)	\$1,835,028.35	\$1,221,782.38
Increase in cash surrender value of officer's life insurance	2,786.97	3,715.84
Purchase of printing equipment	-	5,370.24
Purchase of station wagon	9,398.00	-
Real property improvement	-	3,300.00
Reduction in long term note payable	40,100.29	57,696.48
Interest expense	9,469.46	13,242.30
Rental property expense	4,601.05	5,171.10
Tax penalties	340.80	1,543.02
Prior years' adjustments	-	236.81
Increase in working capital	65,339.94	-
	<u>\$1,967,064.86</u>	<u>\$1,312,058.17</u>

ANALYSIS OF CHANGES IN WORKING CAPITAL

	<u>FY1980</u>	<u>FY1979</u>
WORKING CAPITAL CHANGES:		
Cash	\$ 2,638.11	\$ (23,308.82)
Accounts receivable	184,356.93	(28,630.73)
Inventory	(20,219.42)	6,539.27
Tax loss carryback claim	118.53	(3,548.14)
Prepaid expenses	(3,398.44)	1,627.15
Accounts payable	(23,967.38)	(3,589.86)
Notes payable	4,342.06	(33,584.72)
Estimated franchise and income tax liability	(81,373.67)	14,145.00
Accrued taxes payable	6,152.88	(5,147.99)
Unearned income	(3,309.66)	4,943.13
	<u>\$ 65,339.94</u>	<u>\$ (70,555.71)</u>
CHANGE IN WORKING CAPITAL		

The accompanying notes are an integral part of this statement.

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